NATURAL GAS REPORT FOR DECEMBER 2025

FUTURES PRICES[1]

The natural gas futures market prices continued to fluctuate throughout the month. The market prices were relatively high early in the month compared to the previous month but declined through middle of the month before rising toward the end of the month. Weather, demand and supply continued to affect the market prices. On December 1, the NYMEX January contract settled at $4.921 per MMBtu, an increase of more than 7 cents from the previous trading day. The market prices continued to increase in the next few days. For example, the January contract settled at $5.063 per MMBtu on December 4, a prompt month contract above $5 for the first time since late 2022, followed by $5.289 per MMBtu, a three-year high for a prompt month contract and the highest settlement for the contract in the month, on December 5. The surge in the market prices may have in part been attributable to frigid temperatures well below average for this time of year across the Midwest and the Northeast which account for a substantial amount of US heating demand. Adding to the rise in the market prices was a record feedgas demand for LNG exports. Then, the market prices started decreasing and the decline was substantial. For example, the January contract settled at $4.912 per MMBtu on December 8, a decline of almost 38 cents from the previous trading day, followed by $4.574 per MMBtu the next day. The decline may have been due in part to cold weather outlooks not quite as cold and pervasive as previously expected. The market prices continued to fall as the January contract settled at $4.231 per MMBtu, a decline of more than 36 cents from the previous trading day, on December 11 and eventually settled at $3.886 per MMBtu, the lowest settlement for the contract in the month, on December 16. Changing weather forecasts from extreme cold to above normal temperatures with the warming temperature forecasts from mid to late December may have contributed to the price plunge from the high prices early in the month. However, the futures market prices resumed ascending, after fluctuating in the next few days. For example, the January contract settled at $4.408 per MMBtu on December 23, an increase of more than 44 cents from the previous trading day, in part driven by cold weather forecasts for the new year. Subsequently, the January contract settled at $4.687 per MMBtu on December 29. The rise in the market prices may have been attributable to potentially cold temperatures late in the month and into early January 2026, among other factors. January and December contracts were closed at NYMEX at a price of $4.687 and $4.424 per MMBtu, respectively. The January price was about 33% higher while the December price was 29% higher, respectively, than those of last year. The January contract expired at $4.687 per MMBtu on December 29, compared to $4.921 per MMBtu at the beginning of the month. On January 15, the NYMEX February futures were at $3.128 per MMBtu compared to $4.083 per MMBtu last year.

[1] Data Source: WSJ, CME.

U.S. STORAGE LEVELS[2]

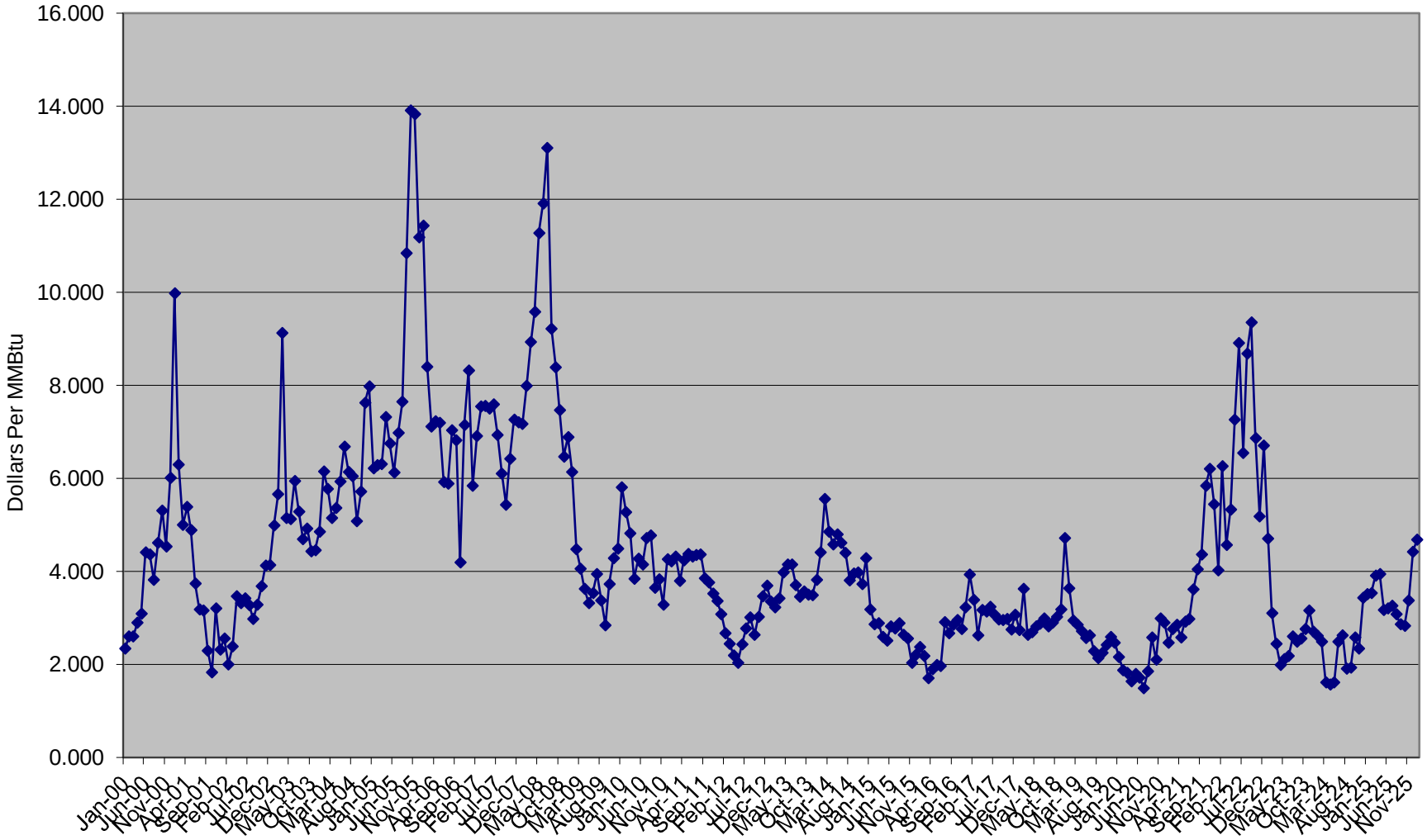
Overall, the temperature in the month was above the historical average across the country. In fact, it was the fifth warmest December of the 131 year-period of record, according to the National Oceanic and Atmospheric Administration (NOAA). Steady storage withdrawals occurred in the month, and the monthly total withdrawal exceeds both the historical average and last year's, resulting in the total withdrawal of 548 Bcf, compared to the five-year (2020-2024) historical average withdrawal of 415 Bcf and last year's withdrawal of 511 Bcf, respectively for the same period. In particular, much above average storage withdrawals occurred during the first three weeks of the month. For example, the storage level declined by 177 Bcf for the week ending December 5, compared to the five-year (2020-2024) historical average and last year's withdrawals of 89 Bcf and 167 Bcf, respectively for the same period. It was the first triple-digit storage withdrawal of the winter season. As a result, the storage surplus to the five-year average significantly narrowed to 103 Bcf above the historical average, and the storage deficit to 2024 expanded to 28 Bcf from the previous week. The above average storage withdrawals continued in the next two weeks. For example, the storage level declined by 167 Bcf for the week ending December 12, compared to the five-year (2020-2024) historical average withdrawal of 96 Bcf for the same period, resulting in a decreasing storage surplus to only double digits for the first time since May 2025. Then, there was a storage withdrawal of 166 Bcf for the week ending December 19, compared to the five-year (2020-2024) historical average withdrawal of 110 Bcf for the corresponding week. As a result, the storage surplus to the five-year average turned into a deficit for the first time since April 2025. Cold temperatures that increased heating demand may have in part contributed to the above average storage withdrawals. However, the storage level decreased less than the historical average for the last week as the storage level declined by 38 Bcf, compared to the five-year (2020-2024) historical average and last year's withdrawals of 120 Bcf and 112 Bcf, respectively, for the same period. The below average storage withdrawal may have been due to an increase in natural gas supply and a decline in natural gas demand from relatively mild temperatures, among other factors. This resulted in turning the deficit to the five-year average into a surplus again and the deficit to 2024 fell significantly. The total storage inventories in the U.S. as of December 26 are 3,375 Bcf, which is 58 Bcf higher than the five-year average and 55 Bcf lower than last year's.

SUMMARY

The wholesale price of the natural gas commodity was fully deregulated by the federal government in 1993. Local natural gas distribution companies ("LDCs") do not produce the gas they sell but purchase it on an open market at market prices. The Missouri Public Service Commission ("PSC") does not regulate the price of the natural gas commodity, but does monitor LDC purchasing decisions. The PSC continues to review the gas purchasing practices of the distribution companies in terms of reasonableness and prudence.

[2] Energy Information Administration's Natural Gas Weekly Update.

Monthly Natural Gas Prices



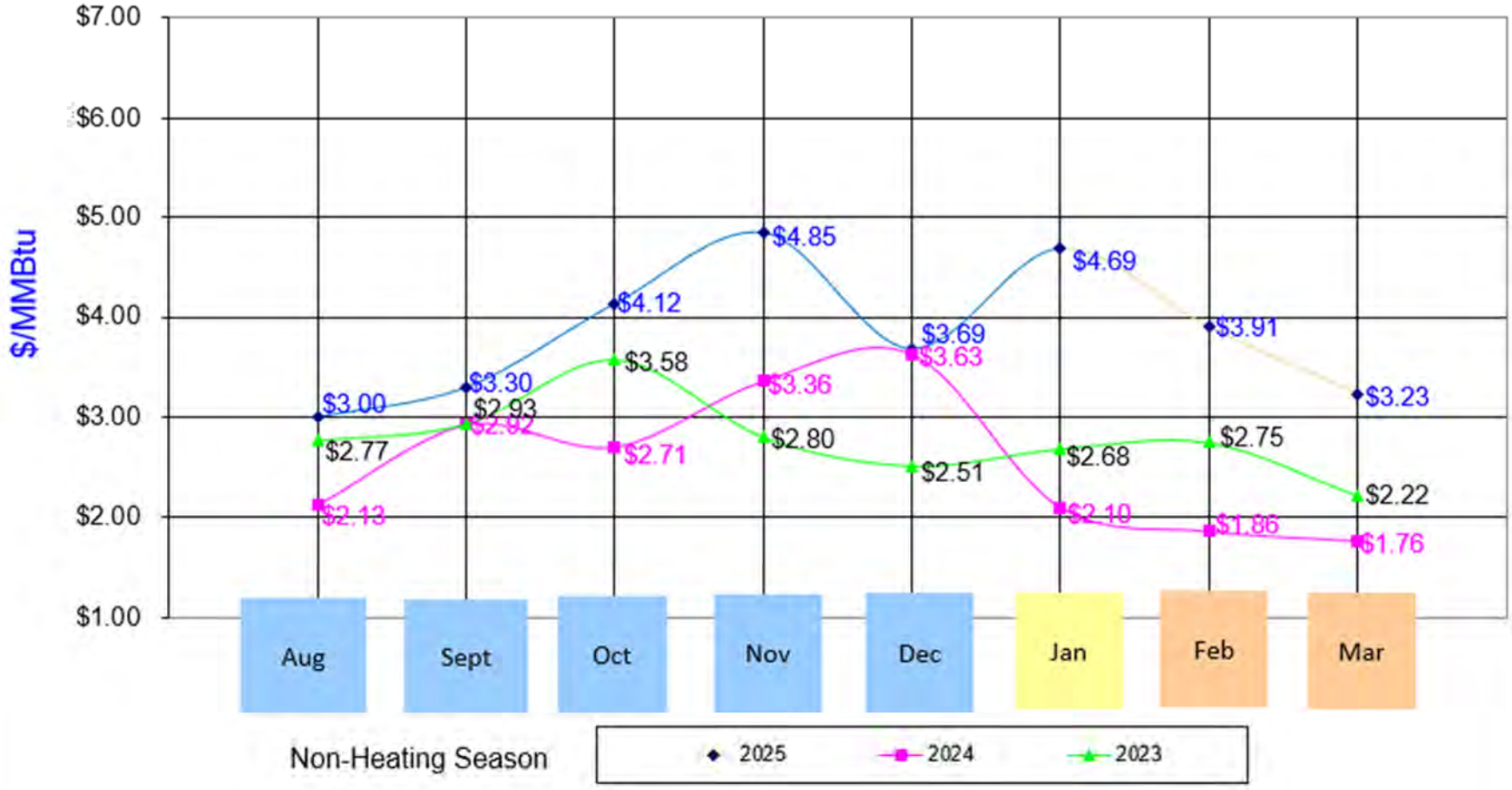
Note 1:1 Million British Thermal Unit(MMBtu) is approximately equal to 1,000 cubic feet
Note 2: Monthly Natural Gas Prices Based on the New York Mercantile Exchange(NYMEX) Expiration Prices, Source:WSJ

NYMEX Natural Gas Commodity Price

Historical Month Price on the Last Trading Day of the Month

Current Month Price on Last Day Traded,12/29/2025

Future Month Price on 1/20/2026



Missouri PSC, Procurement Analysis.
Data Source: NYMEX Henry Hub Natural Gas Settlement Price via TradingCharts.com